

18 NOV 1975

MEMORANDUM FOR: [REDACTED]

SUBJECT : Ampex Contract Numbers [REDACTED]  
[REDACTED]

1. This memorandum is written as a followup to a meeting between Harry Fitzwater, [REDACTED] and the writer with the DD/A and the A/DD/A on 12 November 1975. Mr. Blake has tasked the Contracting Officer in coordination with AGC/OL to staff out various options available to the Government on Ampex contract numbers [REDACTED] and [REDACTED]. The staffing out of the various options is to be completed by approximately 1 December 1975 which coincides with scheduled completion of PSAT.

2. Completion of PSAT appears to be a milestone which will enable the Government to more accurately assess the probability of Ampex completing its contract requirements. If it appears that the probability of successful completion of the contract is small, it obviously would be in the best interest of the Government to terminate one or both of the subcontracts. One option to be considered is certainly the termination at this point of one or both of the contracts on a default basis. A second option appears to be to allow both of the contracts to continue to the March 1976 completion date at which time if the contract has not been completed the Government could still exercise the option to terminate.

2. The above options and others which they may consider viable should be staffed out to include your opinion on the legal implications of suggested actions and also probable financial recovery as a result of termination action. It is suggested that a meeting be held on 26 November in PMS offices at 1400 to review results of your deliberations in preparation for reporting back to the DD/A on 1 December.

[REDACTED]  
Chief

Procurement Management Staff, OL